

**STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING  
Whether there has been a violation  
of the Securities Act of Washington by:

ORBIT ENTERPRISES, INC. d/b/a THE  
CYBERGOLF NETWORK; DAN MURNAN;  
MICHAEL BURDETT; their agents and employees,

Respondents.

SDO - 93 - 01

ENTRY OF FINDINGS OF FACT AND  
CONCLUSIONS OF LAW AND FINAL ORDER  
TO CEASE AND DESIST AS TO MICHAEL  
BURDETT

Case No. 01-04-162

THE STATE OF WASHINGTON TO:     Michael Burdett  
   CRD #1304377

On October 17, 2001, the Securities Administrator of the State of Washington issued Statement of Charges and Notice of Intention to Enter Order to Cease and Desist SDO-88-01 hereinafter referred to as "Statement of Charges."

The Statement of Charges, together with a Notice of Opportunity to Defend and Opportunity for Hearing (hereinafter referred to as "Notice of Opportunity for Hearing") and an Application for Adjudicative Hearing (hereinafter referred to as "Application for Hearing") thereon, were served via certified mail on Respondent Michael Burdett on October 24, 2001. The Notice of Opportunity for Hearing advised Respondent that he had twenty days from the date he received the notice to file a written application for an administrative hearing on the Statement of Charges.

Respondent Michael Burdett failed to request an administrative hearing within twenty days of its receipt of the Statement of Charges and Notice of Opportunity for Hearing, either on the Application for Hearing provided or otherwise.

ENTRY OF FINDINGS OF FACT AND  
CONCLUSIONS OF LAW AND FINAL ORDER  
TO CEASE AND DESIST AS TO MICHAEL  
BURDETT

1

**DEPARTMENT OF FINANCIAL INSTITUTIONS  
Securities Division  
PO Box 9033  
Olympia, WA 98507-9033  
360-902-8760**

1 The Securities Administrator therefore adopts as final the findings of fact and conclusions of law as set forth in  
2 the Statement of Charges.

3 The Securities Administrator makes the following findings of fact and conclusions of law:

#### 4 **FINDINGS OF FACT**

##### 5 **I. Respondents**

6 1. **ORBIT ENTERPRISES, INC.** ("Orbit Enterprises") is a Washington corporation with a principal  
7 business address of 120 West Dayton Suite D-5, Edmonds, WA 98275. Orbit Enterprises conducts business as  
8 The Cybergolf Network. The company's business purpose is to attract participants in the golf industry into e-  
9 commerce and e-business through Internet websites that The Cybergolf Network controls, such as cybergolf.com  
10 and golfconstructionnews.com.

11 2. **DAN MURNAN** ("Murnan") was the President of Orbit Enterprises at all times relevant to the  
12 matters set forth herein.

13 3. **MICHAEL BURDETT** ("Burdett"), CRD #1304377, acted as an agent for Orbit Enterprises  
14 during the company's investment offering. Orbit Enterprises and Dan Murnan agreed to pay Burdett a commission  
15 based on the number of persons that Burdett was able to induce to invest in the company.

##### 16 **II. Nature of the Offering**

17 4. From approximately December of 1999 to May of 2001, Orbit Enterprises, Dan Murnan, and Michael  
18 Burdett (collectively referred to herein as "Respondents") induced at least thirty-three persons to invest in Orbit  
19 Enterprises. Respondents approached and/or offered an investment opportunity in Orbit Enterprises to at least eighteen  
20 other persons during this time period.

21 5. From approximately February of 2001 to May 2001, Michael Burdett, acting as an agent for Orbit  
22 Enterprises, directly participated in the investment offering as to at least seventeen of the thirty-three investors. Burdett  
23 received over \$16,000 in commissions from Orbit Enterprises for his participation in the investment offering.

6. Several of the investors signed written stockholder or subscription agreements with Orbit Enterprises. Pursuant to the terms of their respective agreements, investors were given a certain number shares of the common stock of Orbit Enterprises for an agreed upon aggregate purchase price. The stock was sold for \$0.50 per share to some investors and for \$1.00 per share to others.

7. Investors were typically provided a business plan of the company that included projected financial information pertaining to future revenues to be earned by the company, such as projected revenues of over \$130 million dollars in 2004. Respondents failed to provide investors with a reasonable basis for these financial projections.

8. Respondents failed to provide investors with material information regarding Orbit Enterprises during the investment offering, including but limited to: (1) how investors' funds were to be used; (2) the risks of the investment; (3) financial statements of the company; and (4) the variation in price of the stock sold to investors.

9. Respondents obtained at least \$749,000 from investors in conjunction with the investment offering.

### **III. Registration Status**

10. Orbit Enterprises, Inc., Dan Murnan, and Michael Burdett are not currently registered to offer or sell its securities in the state of Washington and have not previously been so registered.

11. Orbit Enterprises, Inc. and Dan Murnan are not currently registered as securities salespersons or broker-dealers in the state of Washington and have not previously been so registered.

12. Michael Burdett is not currently registered as a securities salesperson or broker-dealer in the state of Washington. Michael Burdett was registered with the State of Washington as a securities salesperson from May of 1988 to September of 1989, and from February of 1994 to January of 2001. At no time was Michael Burdett registered to offer or sell the securities of Orbit Enterprises, Inc.

Based upon the above Findings of Fact, the following Conclusions of Law are made:

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

**CONCLUSIONS OF LAW**

**I. Securities**

The offer and/or sale of stock as described above constitutes the offer and/or sale of a security as defined in RCW 21.20.005(10) and (12).

**II. Violation of RCW 21.20.010**

The offer and/or sale of said securities was made in violation of RCW 21.20.010 because, as specifically set forth in paragraphs 7 and 8 of the Tentative Findings of Fact, Respondents made untrue statements of material fact and/or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

**III. Violation of RCW 21.20.140**

The offer and/or sale of said securities is in violation of RCW 21.20.140 because no registration for such offer and/or sale is on file with the Securities Administrator of the state of Washington.

**IV. Violation of RCW 21.20.040**

Respondents have violated RCW 21.20.040 by offering said securities while not being registered as broker-dealers or securities salespersons in the state of Washington.

**FINAL ORDER**

Based upon the foregoing, NOW, THEREFORE, IT IS HEREBY ORDERED that Michael Burdett shall cease and desist from violating RCW 21.20.010, the anti-fraud section of the Securities Act.

It is further ORDERED that Michael Burdett shall cease and desist from violating RCW 21.20.140 by offering and/or selling unregistered securities.

It is further ORDERED that Michael Burdett shall cease and desist from violating RCW 21.20.040 by acting as a securities broker-dealer or securities salesperson without being so registered.

This Order is entered pursuant to the provisions of RCW 21.20.390, and is subject to the provisions of

ENTRY OF FINDINGS OF FACT AND  
CONCLUSIONS OF LAW AND FINAL ORDER  
TO CEASE AND DESIST AS TO MICHAEL  
BURDETT

4

DEPARTMENT OF FINANCIAL INSTITUTIONS  
Securities Division  
PO Box 9033  
Olympia, WA 98507-9033  
360-902-8760

Chapter 34.05 RCW.

**WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

DATED this 20<sup>th</sup> day of November, 2001.



DEBORAH R. BORTNER  
Securities Administrator

Approved by:

Presented by:

\_\_\_\_\_  
Michael E. Stevenson  
Chief of Enforcement

\_\_\_\_\_  
Chad Standifer  
Staff Attorney

ENTRY OF FINDINGS OF FACT AND  
CONCLUSIONS OF LAW AND FINAL ORDER  
TO CEASE AND DESIST AS TO MICHAEL  
BURDETT